

FIRST REGULAR SESSION

HOUSE BILL NO. 90

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES GOSEN (Sponsor), MOLENDORP
AND WIELAND (Co-sponsors).

0542L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 507, RSMo, by adding thereto one new section relating to intervention of insurers in civil lawsuits.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 507, RSMo, is amended by adding thereto one new section, to be known as section 507.091, to read as follows:

507.091. 1. If an insurer may be contractually obligated to pay the cost of defending a civil lawsuit or a portion of any judgment that may be rendered in such lawsuit, the insurer may intervene and request that the court determine the extent of its coverage obligation.

2. If an insurer intervenes under subsection 1 of this section:

(1) The insurer shall be obligated to pay the reasonable legal fees and costs necessarily incurred in the coverage portion of the lawsuit by the person seeking coverage under its policy; and

(2) The court shall make a final determination as to the extent of the insurer's coverage before proceeding with the merits of the underlying action. The court's determination as to coverage shall be immediately appealable, notwithstanding the fact that issues relating to the underlying action remain unresolved.

3. The insurer shall promptly litigate the coverage portion of the lawsuit. If, at any time, the court finds that the insurer has failed to do so, the court shall dismiss that portion of the lawsuit.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 **4. When a judgment as to the coverage becomes final, the insurer shall be dismissed**
17 **from the lawsuit and its obligation to pay the legal fees and costs required under subsection**
18 **2 of this section terminates upon such dismissal.**

19 **5. Notwithstanding any other provision of law to the contrary, if an insurer**
20 **proceeds in the manner prescribed in this section, its actions shall not constitute a breach**
21 **or waiver of any provisions of its insurance contract.**

✓